

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

Case No. 06-45571

PATRICK W. RICKHEIM,

Chapter 7

Debtor.

Judge Thomas J. Tucker

**ORDER GRANTING, IN PART,
FIRST INTERIM FEE APPLICATION OF THE TRUSTEE**

This case is before the Court on a fee application the Chapter 7 Trustee filed on May 6, 2009, entitled “First Interim Application for Compensation by Trustee” (Docket # 80, the “Application”), seeking interim fees in the amount of \$6,850.00 and \$0.00 in expenses. On June 2, 2009, the Trustee filed a Certification of Non-Response, indicating that no party had timely objected to this fee application. In an order filed June 3, 2009, the Court required the Trustee to supplement his application, among other things, to “explain why the Court should allow an interim fee to the Trustee at this point, rather than only allowing a final fee after the Trustee files his final report.” The Trustee filed his supplement on June 5, 2009 (Docket # 86).

Upon consideration of that supplement, the Court concludes that a hearing is not necessary. The Court notes that a request by a Chapter 7 trustee for the allowance of interim fees is unusual, as is the Court’s granting of such a request. The normal practice in this district, of course, is for the Trustee to wait until he files his final report and simply request his entire fee at that time, on a final basis. One of the obvious purposes of this practice is to give the Trustee a monetary incentive to complete his administration of the estate and file his final report as expeditiously as possible, consistent with fulfilling his fiduciary duties. But there are rare exceptions to this general practice.

The Court concludes that under the unusual circumstances of this case, the Trustee's interim fee application should be granted, in part, and otherwise denied without prejudice. The Court will allow an interim fee to the Trustee at this time that is 70% of the amount he requests — which is 70% of the maximum trustee fee he could obtain under 11 U.S.C. § 326(a) based on disbursements made through the time of the application — and hold back the remainder for the Trustee to request as part of his final fee, when he files his final report. This will serve as a continuing monetary incentive for the Trustee to complete his administration of this estate as promptly as possible.¹

Accordingly,

IT IS ORDERED that the Application (Docket # 80) is granted to the extent of the interim fees allowed by this Order, and otherwise is denied without prejudice to the Trustee's right to seek the balance of fees requested as part of his final application for fees, as part of the Trustee's final report in this case.

IT IS FURTHER ORDERED that the Trustee is allowed an interim fee at this time equal to 70% of the amount he has requested, *i.e.*, in the amount of \$4,795.00.

Signed on June 05, 2009

/s/ Thomas J. Tucker
Thomas J. Tucker
United States Bankruptcy Judge

¹ Nothing in this Order should be taken as any suggestion that the Trustee has not been expeditiously administering the estate in this case.